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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/611,548	07/07/2000	DOUGLAS G. LOWENSTEIN	114595-2	6763

38492 7590 10/20/2005

WILLKIE FARR & GALLAGHER LLP  
INTELLECTUAL PROPERTY LEGAL ASSISTANTS  
787 SEVENTH AVE  
NEW YORK, NY 10019-6099

EXAMINER
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CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 10/20/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/611,548

Applicant(s)

LOWENSTEIN ET AL.

Examiner

Siegfried E. Chencinski

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 20 May 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-118 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 1-55 and 60-118 is/are allowed.
- 6) ☒ Claim(s) 56, 58 and 59 is/are rejected.
- 7) ☒ Claim(s) 57 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>11/10/04</u> . | 6) <input type="checkbox"/> Other: _____  |

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**1. Claims 1-118 are rejected** under 35 U.S.C. 101 because the claimed inventions lack patentable utility. Claims 1-118 do not contain any new and useful process, machine, manufacture, or composition of matter, or useful, concrete or tangible result, or any new and useful improvement thereof. MPEP 706.03(a). The claims as they currently stand lack purposeful direction leading to concrete results.

The examiner respectfully suggests that Applicant consider amending the independent claims by adding one or more facets of the concrete steps contained in the specification as the context of the specific inventions merits. Such steps include the flow of activity between the specific parties cited in the specification, such as landlords, tenants, lenders, investors, brokers and agents, as such parties provide an antecedent basis for claim limitations.

### ***Allowable Subject Matter***

**3. Claims 1, 2, 28, 31, 60, 74, 93 and 102 are allowed** because the claimed limitations read over the prior art of record.

**Claims 3-27, 29-30, 32-52, 54, 55, 61-73, 75-83, 94-101 and 103-118 are allowed** due to their dependency on independent claims 1, 2, 28, 31, 60, 74, 93 and 102.

**Claim 57 is objected to** as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**4. Claims 56, 58 & 59 are rejected** under 35 U.S.C. 103(a) as being anticipated by Nancy R. Little, What you need to know about financing with synthetic leases, Practical Real Estate Lawyer, vol. 5, No. 2, pages 35-46, March 1999 (hereafter Little) in view of Weatherly et al. (U.S. Patent No. 6,049,784, hereafter Weatherly), **Re. Claim 56**, Little discloses a method, comprising the steps of leasing an interest in real estate from a special purpose entity to a tenant, the special purpose entity being a legal entity owned by a landlord of the real estate that includes the leased interest; wherein the special purpose entity owning the lease of the leased interest, development of an asset underlying the leased interest being financed by debt issued by the special purpose entity, the debt being non-recourse against the special purpose entity, the landlord and the asset (Page 36, col. 1, ll. 3-7, col. 2, ll. 19-25; Page 43, col. 2, ll. 34-36; Page 42, col. 1, ll. 4-8). Little does not explicitly disclose at least some portion of originating, managing, or analyzing the lease is performed on a computer. However, Weatherly discloses at least some portion of originating, managing, or analyzing the lease is performed on a computer (Col. 4, ll. 16-21). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to combine the teachings of Little and Weatherly to make available a computerized method for leasing an interest in real estate through a special purpose entity to a tenant. The motivation of the practitioner would have been to create property transactions which are beneficial to both lessor and lessee (Weatherly, col. 1, ll. 4-7).

**Re. Claim 58**, Little discloses wherein leasing tenant improvements within a space from a special purpose entity to a tenant, the special purpose entity being a legal entity owned, or leased the tenant improvements, by a landlord of the space, the

special purpose entity being capitalized by participations comprising:

- (a) an equity investment by the landlord of at least three percent of the value of the tenant improvements and
- (b) debt issued by the special purpose entity for at least about eighty percent of the value of the tenant improvements (Page 42, col. 2, l. 20 – Page 43, col. 1, l. 30).

**Re. Claim 59**, Little discloses wherein the debt is secured by a triple-net absolute rent obligation of the tenant under a lease of the improvements (Page 37, col. 1, ll. 10-13).

### ***Response to Arguments***

#### **5. A. Communications Formalities:**

- The Applicant's amendments to the specification contained in Applicant's paper of March 31, 2003 as Appendix 1 and received on March 31, 2003 have been entered.
- Applicant's Change of Correspondence Address to 787 Seventh Avenue, NY, NY has also been entered.
- Enclosed is a checked off copy of Form 1449 entered on November 10, of 2004. This copy is presumed to have the same content as the Form 1449's filed in April and June of 2003.
- The Replacement Specification received on October 3, 2005 has been entered into the record.
- The above prosecution of claims is based on the Remarks and Claims as amended in Applicant's paper dated April 30, 2004, and received on May 3, 2004, and the Specification as amended on March 31, 2003.

**6. B. Arguments**

**(1) There is no motivation to combine Little and Weatherly.**

**RESPONSE:** Little and Weatherly both teach methods within the art of real estate accounting and real estate transactions. Further, the motivation of the practitioner would have been to create property transactions which are beneficial to both lessor and lessee (Weatherly, col. 1, ll. 4-7).

**(2) A Special Purpose Entity (SPE) related to the landlord is not contained in the portion of the reference (Little) cited in the rejections involving a SPE.**

**RESPONSE:** The Special Purpose Entities (SPE) disclosed by Little involve landlords by definition (Little, p. 35, col. 2 – p. 47, end).

**(3) Has Official Notice been withdrawn in the rejections?**

**RESPONSE:** YES.

**(4) Has the list of 7 IDS submitted in April and June of 2003 been acknowledged and considered?**

**RESPONSE:** YES. The initialed copy of Applicant's Form 1449 is enclosed with this Office Action.

***Conclusion***

6. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

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If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Hyung S. Sough, can be reached on (571) 272-6799.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

*Commissioner of Patents and Trademarks, Washington D.C. 20231*


or (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

(571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

October 14, 2005

  
FRANTZY POINVIL  
PRIMARY EXAMINER  
AU 3628